

ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(“Company”)

BOARD DIVERSITY POLICY

(Adopted by the board resolution dated 11 October 2013 and

amended by the board resolution dated 26 March 2019

to take effect from 1 January 2019)

1. PURPOSE

- 1.1 This board diversity policy of the Company (“**this Policy**”) aims to set out the approach to achieve diversity on the Company’s board of directors (“**Board**”).

2. VISION

- 2.1 The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

3. POLICY STATEMENT

- 3.1 With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.
- 3.2 In designing the Board’s composition, Board diversity has been considered from a wide range of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service and any other factors that the Board may consider relevant and applicable from time to time.
- 3.3 All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard to for the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect.

4. MEASURABLE OBJECTIVES

- 4.1 Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service and any other factors that the Board may consider relevant and applicable from time to time.
- 4.2 The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board, having due regard to the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect.

5. MONITORING AND REPORTING

- 5.1 The nomination committee of the Company (the “**Nomination Committee**”) is responsible for monitoring the achievement of the measurable objectives set out in this Policy.
- 5.2 The Nomination Committee will review the Board’s composition at least once annually taking into account the benefits of all relevant diversity aspects and adhere to the Policy when making recommendation on any Board appointments.
- 5.3 The Board’s composition will be disclosed in the corporate governance report of the Company (the “**Corporate Governance Report**”) annually in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

6. REVIEW OF THIS POLICY

- 6.1 The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

7. DISCLOSURE OF THIS POLICY

- 7.1 This Policy will be published on the Company’s website for public information.
- 7.2 A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the Corporate Governance Report contained in the Company’s annual report.